

# N F R B QUARTERLY

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# THE WORK OF N F R B

## THE PAST YEAR

To meet the convenience of the office, it has been decided in future to terminate the financial year of N F R B in September instead of March. This, however, seems a suitable opportunity to sum up the work done since the issue of the last Annual Report in March 1937.

Since then, six pamphlets have been published—*How Much Compensation?* *The Forty Hour Week*, *State Education*, *German and Czech*, *Population Movements*, and *The City Today*. Mention should also be made of *What Labour has done for London*, a pamphlet on the work of the Metropolitan Borough Councils prepared for the London Labour Party by an N F R B group and published during the November election campaign. *The Forty Hour Week* and *German and Czech* in particular proved popular subjects and had wide sales. *The City Today*, which appeared in March, is a critical analysis from inside of the financial machinery of this country. The author studies the growing indirect influence of the Government over the policies of the financial oligarchy. He shows that those who possess financial power without political responsibility are prepared to meet the wishes of a government acting in their interests, but are unwilling to accept any form of legal control, and puts the pertinent question 'Will the mere wish of a Labour Government be sufficient?' Two further pamphlets have been submitted for publication, and it is hoped will be out shortly—*Congress Government in India*, by H. G. Alexander; and *Milk*, by J. Bulmer and P. Vinter.

Three books have also been prepared, and are in the course of publication. *The People's Army*, by Lewis Clive, with an introduction by Major Attlee, P C, M P, is a study of the class structure and rigorous discipline of the army, and suggests how that Service should be reformed to make it a reliable weapon of a democratic people. G. D. H. Cole has a short book dealing with *The Central Machinery of Economic Planning*; and there is the report of the N F R B research party which investigated *This Socialist Sweden?* in the summer of 1937.

Numerous memoranda have been filed for reference, including reports on Legal Reform, Socialisation of Gas, Germany, the Empire, Malaya, Burma, and the Sudan.

*Public Enterprise*, edited by Dr W. A. Robson, which appeared a year ago, was well and widely reviewed and has sold rapidly.



During the past year Conferences have been held on the Depressed Areas, the Situation in Czechoslovakia, This Socialist Sweden, and Propaganda Methods.

## WORK IN HAND

Important pieces of work have been initiated, notably a survey of Distribution and the preparation of a Food Policy report. The following are some of the outstanding pieces of work in hand :—

*International Section* : reports on Dominions Policy; Socialism and the Population Question; World Government.

*Planning Section* : Local Government Areas; Joint Stock Banks; State Capitalism.

*Social Services* : reports on Rent Restrictions (in cooperation with the Haldane Club); the Public Schools.

*Local Government* : Central Purchasing of Supplies; Library Coordination; Direct Labour.

*Socialisation Studies* : Coal; Insurance; Armaments.

Membership has continued to rise, though at a rather slower rate, and should have reached the figure of 750 by the publication of this *Quarterly*.

## CONFERENCES

An important and successful Conference on Food Policy was held at High Leigh, Hoddesdon, on January 29-30. This provided an excellent stimulus to our work on Distribution, and prepared the way for closer coordination with other research bodies in the preparation of a Food Policy which is urgently needed at the present time.

The next Conference will be on Colonial Trusteeship, and will be held at Lady Margaret Hall, Oxford, on March 19-20.

## LECTURES

The Essex Hall lectures, though not as well attended as might have been hoped, yet produced a series of stimulating papers and discussions. Prior to the lecture on February 11 a very successful dinner in honour of Jean Longuet was held at the Cock Tavern, Fleet Street.

The General Secretary, John Parker, M.P., would be glad to hear from anyone requiring further information on the work of NFRB at 37 Great James Street, W.C.1.

Communications concerning the *Quarterly* should be sent to the Editor, H. D. Hughes, at the same address.

# THE THREAT TO CIVIL LIBERTY

Professor R. S. T. Chorley

*This lecture, which was originally delivered at an International Conference in Paris, is printed here as a convenient summary of the present position.*

This article is confined to post-war developments in Great Britain and Northern Ireland. It will show that serious inroads may be made on the institutions of liberty and democracy under a professing democratic government and how, in the absence of a concerted opposition from the parties of the Centre and the Left, a minority government of the Right may break down the hard-won privileges on which democracy and popular government rest.

## FREEDOM OF SPEECH

The period of the 19th century down to the beginning of the Great War was notable in England for a marked development in the right of freedom of speech including freedom of writing, especially in the Press, and also for an increase in the use of various instruments of democratic government such as the right to hold public meetings, without which freedom of speech loses much of its value, and the right to march in political processions. It is true that the great constitutional lawyer Dicey pointed out that the legal basis of much of this was not sharply defined, depending rather upon constitutional conventions of recent growth than upon definite legal rules. Nevertheless, these rights were the proud privilege of the pre-war Englishman. The lack of clear definition has, however, as we shall see, proved to be a serious source of weakness during the post-war period of reaction; for, just as a vague state of the law gives progressive judges opportunities of making forward-looking adjustments, so it enables reactionary Courts to cut back in practice the scope of principles however firmly established in theory. In pre-war England it was the generally accepted view that men might say and write what they liked, provided there was no incitement to the commission of crime, and that all parties, whether political, religious or social, might hold meetings and march in procession so long as they did not lead or appear to be leading to violence.



## FREE SPEECH TODAY

Freedom to speak one's thoughts without let or hindrance and to exhort one's fellow citizens to this or that course of political conduct is, with its corollary of freedom to write, fundamental to all popular and democratic politics. It is so essential that on the foundation of an authoritarian state it is always the first right to be destroyed. In England it has not been so drastically attacked but it is being gradually undermined in a way which may eventually leave but little more of the right to Englishmen than has been left by Hitler to the Germans or by Mussolini to the Italians. The right of free speech is fettered in England in various ways and especially by the law of sedition and the law of defamation. It is clear that this right must be limited in this way to some extent, for if incitement to overthrow government by force of arms or to destroy the reputation of statesmen and leaders by lying and scurrilous attack were permitted to go unpunished, a sound and healthy political life would become impossible and freedom of speech become a mockery. But it is equally clear that unless these limiting conditions are kept within narrow and rigidly defined borders they may sap the very principles which they are designed to protect. These two conceptions, particularly that of sedition, are in English law in fact so vague that it is possible for a reactionary judge to use them in order to undermine freedom of speech.

## SEDITION

Sedition is a common law crime dating from the Middle Ages ; it is punishable with fine and imprisonment and its definition is so wide as to include many matters on which no prosecution would ever be brought. Among acts of sedition are the raising of discontent or disaffection amongst His Majesty's subjects or the promotion of feelings of ill-will or hostility between different classes of such subjects. Moreover, the common law crime of sedition has been expanded by various statutory provisions such as the Seditious Meetings Act 1815, which was passed in one of the most reactionary periods of English history, that of the Peterloo Massacre, in order to prevent meetings from being held in the neighbourhood of the Houses of Parliament. After falling into complete disuse this Act was revived recently for the purpose of imprisoning popular leaders like the veteran socialist Tom Mann. In the years before the war prosecutions for sedition as a means of stifling political propaganda had almost died out. During the past few years they have taken place in various parts of England and are a very real weapon in the hands of the present administration.

## DEFAMATION

Defamation may be either a criminal or a civil offence. Although a prosecution may be brought for spoken or written defamatory statement, this branch of the law is most effective as a deterrent to progressive political criticism in the shape of civil actions to recover damages. Outspoken expressions of political opinion, in which the actions or beliefs of Fascist leaders such as Mosley have been brought into question in Left Wing journals, have been attacked under the law of defamation. The question of whether a statement is really defamatory and, if so, what amount of compensation shall be awarded, are left entirely in the hands of a jury which is drawn inevitably from the propertied classes. Moreover, the damages are awarded, not only against the author of the defamatory statement, but also against the owners of the journal in which it appears and the printing company which printed it. Again, we are accustomed to have awards of very heavy damages in this type of case, as much as £10,000 having been given on more than one occasion. Bourgeois juries have repeatedly given heavy damages against Left Wing journals and even a journal of the Left Centre, the *News Chronicle*, had a few years ago to pay thousands of pounds as a result of an attack on the Fascist leader, Mosley, which, compared with some of the statements which he has himself made against his political opponents, was a very mild affair. It is not, therefore, surprising that it has become very difficult to find publishers to publish and printers to print Left Wing journals. Conversely, it is very unlikely that any Left Wing politician would recover damages for libel from a jury of this kind and indeed it is well known that on a number of occasions when Labour leaders have been seriously libelled, they have refrained from taking action in the Courts.

## THE SEDITION ACT

Not satisfied with the use which can and has been made of the law in this way, the so-called National Government passed in 1934 the important Incitement to Disaffection Act. This statute, commonly called the Sedition Act, was enacted ostensibly in order to prevent Left Wing, and more particularly pacifist, propaganda among the military and naval forces. Many people, however, consider that the main object of the Government was to obtain wider powers for the police than they possessed under the general law to search for incriminating documents, publications and memoranda. It had been shown in 1934 that the powers of the police in this connection were somewhat deficient. In that year the London police had raided an office occupied by the leaders of



the Unemployed Marchers' Organisation and seized and taken away every paper they could lay their hands on. They then made use of the evidence obtained from certain of these documents in order to get convictions and sentences of imprisonment against some of the leaders of the marchers. An action (*Elias v. Passmore*) was brought in the Courts in order to obtain a decision that this entry of the office and seizure of papers was illegal. In a somewhat unsatisfactory decision the Court held that the action of the police was justified in respect of those documents which they were able to use as evidence in the criminal proceedings, but that it was not justified in the case of those documents on which no criminal charge could be founded. A small award of damages was accordingly made against the police. This position apparently frightened the authorities; and the Sedition Bill, as originally drafted, gave power to a magistrate to grant to the police the right to search any premises for documents which might contravene the Act. At this point we must remember two important matters. In the first place magistrates in England need not be qualified lawyers but are in fact usually laymen appointed on the ground of political services, and more often than not of services to the Conservative party. Secondly, it was decided as long ago as 1765 in the famous case of *Entinck v. Carrington* that the police in England possess no general powers of search in connection with an alleged crime. Special powers have been conferred upon them from time to time for the purpose of dealing with particular crimes such as coinage offences, but not hitherto in connection with political crimes. Again, this statute as originally drafted made the mere possession of any document which might seduce a soldier from his duty or allegiance an offence, so that, as was pointed out in Parliament, the actual possession of a New Testament, containing as it does so many specific pacifist utterances by Christ, might become technically a crime. Further, by a section unique in the whole history of English law, one of whose cardinal doctrines is that a man must be presumed to be innocent until affirmatively proved to be guilty, it was enacted in the original draft of the Bill that any person found in the possession of such a document was to be taken to be guilty of a crime under the Act unless he could show a lawful excuse for the possession of it. These provisions raised such a storm of criticism, not only from the Parliamentary Opposition but from eminent Conservative lawyers such as Sir William Holdsworth, Vinerian Professor at Oxford, that the Government gave way on some points and the statute was passed in a modified form. It still, however, contains many objectionable features and in time of stress will doubtless be used to prevent

every kind of pacifist propaganda, such for example as that undertaken by Mr Lloyd George during the Boer War and Ramsay MacDonald during the Great War, and even to prevent such attempts at peace by negotiation as that associated with the name of Lord Lansdowne in 1917. It may be mentioned that a number of printers have already refused to print pacifist literature. In addition it will no doubt be fairly easy for the police to obtain search warrants during periods of crisis for the purpose of looking for almost every kind of Left Wing literature.

## THE RIGHT OF MEETING AND PROCESSION

The free right of meeting for purposes of political and religious discussion was regarded by the last generation of Englishmen as one of the pillars of their liberties. Methods have recently been discovered by the police, however, by means of which those who hold opinions objectionable to the authorities can for all practical purposes be deprived of this right.

One difficulty in the way of holding meetings is that of obtaining a meeting place. Almost all suitable halls are in private ownership and must be hired at a price. The police have only to intimate that they disapprove of a meeting and the proprietor will certainly refuse to let his hall to the promoters of that meeting. In London the principal meeting place for massed demonstrations is the Albert Hall. The Fascist leader Mosley has on a number of occasions held meetings there, but its proprietors have repeatedly refused to let it for the purpose of anti-Fascist demonstrations to such Left Wing Labour leaders as Stafford Cripps.

A meeting held in such a hired hall, although usually called a public meeting, remains technically in law a private meeting, for those who have paid for the hall may at any time require persons who are present in it to go away, e.g., if they create a disturbance. Until 1936 it was thought by nine lawyers out of ten that this prevented the police from officially attending such a meeting. For example, at the Fascist demonstration at Olympia in 1934, toughs armed with truncheons, rubber hose pipes and other weapons attacked and grievously wounded numbers of the audience who expressed dissent from their views. A large body of policemen outside the hall refused to intervene to prevent this although they knew what was going on, using the pretext that they had no legal right to enter the building. This view was adopted and approved later on by the Home Secretary in Parliament, no doubt after consultation with his legal advisers. Shortly afterwards, however, a meeting was held in South Wales in a hall hired for the occasion to protest against the Incitement to Disaffection Bill. Certain



police officers forced their way into this meeting and refused to leave when requested to do so. Legal proceedings were commenced in order to test the legality of their presence (*Thomas v. Sawkins*). It was held by the local Court and affirmed on appeal that if the police had reasonable grounds for believing that unless they were present seditious speeches would be made, or disturbances occur, they were entitled to enter. It is obvious that police might well persuade a bench of local magistrates that they considered this likely to be the case whenever there was a Left Wing political meeting, and it does not require much imagination to picture the damping effect of a row of policemen in the front of a meeting called for example as a protest against the conduct of the police themselves. Dr Goodhart, Professor of Jurisprudence at Oxford, also Editor of the *Law Quarterly Review*, has published his opinion that this decision is not well founded in authority.

There remains the possibility of holding public meetings out of doors. Political and religious propaganda in England and in other countries has depended very much on open-air meetings in streets, squares and public parks, and upon processions. Parks are maintained for purposes of recreation and can always be closed to politicians. Streets are intended for people to pass along from one place to another. There is no legal right to hold meetings in the streets, for they may cause obstruction, which is an offence. In practice, however, prosecutions have not been brought in the past in connection with street meetings provided they were not held in such a way as actually to prove an obstruction to traffic. In recent years signs have not been wanting of a definite intention on the part of governmental and police authorities to prevent the use of streets and public places for the purpose of political meetings by Left Wing organisations or, at any rate, the use of such places for meetings in the vicinity of employment exchanges where unemployed men are likely to be gathered together.

## PUBLIC ORDER ACT

In 1936 the Government took advantage of the numerous acts of violence committed by the Fascists to pass the Public Order Act. The principal aim of this Act was alleged to be that of preventing the use in public of the political uniforms on which so much of Fascist propaganda depends; but the Government took advantage of the occasion to give to the police the dangerous power of prohibiting political processions should they have reasonable grounds for apprehending breaches of public order and also to make it a criminal offence to use insulting conduct at a political meeting or elsewhere, a provision which strangely enough has

already been extensively used for the purpose of punishing strikers engaged in an industrial dispute. Before this Act was passed the police had in a number of cases, especially in South Wales, prohibited political processions and attention had been called in Parliament and in the Press to the illegality of such conduct. There can be little doubt that one of the reasons why the Public Order Act was passed was in order to give to the police these much coveted powers and to aim a blow at what Dicey called 'a striking almost special characteristic of the English constitution.' Already, under pretext of a Fascist procession, the Commissioner of Police in London has issued an order prohibiting all processions within a considerable area of London for a period of six weeks, which was later extended. Thus to deprive the Left Wing parties of one of their best-known methods of propaganda is, as the *New Statesman* has said,

a use of powers granted to restrain Fascist incitements to disorder for the purpose of restricting the liberties of peaceable citizens.

Further, ancient statutes such as the Seditious Meetings Act have, as I already stated, been resuscitated for the purpose of imprisoning Left Wing leaders and thereby effectively breaking up the meetings at which they had been present.

Again, the tacit permission to use the streets for political meetings which prevailed for so long is becoming a thing of the past and charges are repeatedly brought against speakers and organisers of such meetings for obstructing the traffic. Many police authorities indeed expect that their sanction shall be obtained before such meetings are held, although they have no legal power to permit them. Indeed, the police at the City of Bath recently proposed that there should be an express bye-law making it an offence to hold such a meeting without previous police permission. In 1932 ex-Air Marshal Lord Trenchard, at that time Head of the Metropolitan Police, issued an edict prohibiting public meetings in the vicinity of employment exchanges in London. All such meetings are prohibited, whether a disturbance is expected or not, though it appears to be exceedingly questionable whether the power to issue such an edict exists. It has been taken by the police as an instruction to arrest and charge with causing an obstruction all persons holding such meetings and a number of convictions have been obtained from the magistrates. In 1934 a meeting was held against the Incitement to Disaffection Bill in a street near an unemployed training centre in London. A Mrs Duncan was about to address the meeting when a police officer came up and forbade her to hold it at that place though it was inconceivable that it could cause any obstruction to traffic. She refused and began to address the crowd, when he arrested her and



she was afterwards charged and fined. She appealed against this decision in the important case of *Duncan v. Jones*. The police contended that they had reasonable grounds to believe that if the meeting, which incidentally was to have been addressed by a well known barrister and by the Secretary to the Council for Civil Liberties, had taken place there would have been a breach of the peace. The Appeal Court held that if they reasonably believed this they were entitled to prevent the meeting. It will be observed that this reasoning applies equally to all meetings whether held in public streets or in hired halls, and the decision is therefore even more dangerous than that of *Thomas v. Sawkins*.

The result is, according to Dr E. C. S. Wade, Lecturer in Constitutional Law at Cambridge, that

there is now no assurance that unless police permission is secured in advance that a meeting can be held anywhere in a public place either on the highway or adjoining land or other place to which the public have access.

His view is that if application had been made directly to Parliament for such powers they would have been inevitably refused.

## THE NEW ATTITUDE OF THE POLICE

Much that has just been said touches on the powers of the police. The formation of the modern police system was a feature of 19th century constitutional history. While a police system is a necessary bulwark of liberties it may also prove their greatest enemy. It is difficult to realise that little more than a hundred years ago there was no organised police force in England. It has now become one of the major forces in the political life of the country and it is all the more dangerous because the average citizen is unaware of the considerable activity which the police are displaying in connection with politics. Until recent times the police showed little signs of such activity. That was obviously a desirable state of affairs but it is now ceasing to exist and the prominence of the police in politics is one of the most disturbing features of the post-war history of England. The 19th century police were an entirely civil force, officered by promotion from their own ranks and controlled by municipal authorities, each town having its own police force. There has never been in England any state department of police and no minister of state is responsible, though the Home Secretary has supervisory powers.

The police force in 1937 has become largely militarised, and its attitude has changed fundamentally from that of pre-war times. During the war it was recruited into the military police which had a very bad reputation with the army as a whole for rough and arbitrary conduct. This attitude has to some extent been carried back into the civil police force, as is clearly shown, for example,

by some of the prosecutions of unemployed leaders in South Wales, where the police officers have used excessive violence. The cruel and unprovoked baton charge on the part of mounted police at an anti-Fascist demonstration in Thurloe Square, London, in 1936 is another example. It is now the regular thing for all the highest ranks in the police force to be filled by retired military officers, *e.g.*, in London since the war the Chief Commissioners have been successively General Horwood, General Lord Byng, and Air-Marshal Lord Trenchard. Moreover the police officers are drilled and disciplined like soldiery, have military ranks and are learning to become a gendarmerie. At the same time, in the alleged interests of efficiency, control has been removed from the smaller local authorities to the larger ones such as the County Councils which are almost entirely controlled by members of the Conservative Party. The establishment of the Police College at Hendon is symptomatic of the same trend.

The effects of this are already becoming evident. One would expect the sympathies of a semi-military police force, used to think in terms of violence, and largely officered by men whose past careers have been devoted to the art of war, to be with the Fascist party, for Fascism is founded on a similar combination of authoritarianism and violence. There is unfortunately only too much evidence that this is in fact the case. On many occasions when there has been conflict between Fascists and anti-Fascists, the police have protected the Fascists and arrested the anti-Fascists. The incidents at the Olympia meeting in 1934 and Thurloe Square in 1936 have already been mentioned and numerous occasions have been referred to in the House of Commons where the police have stood by and done nothing to prevent the grossest Fascist abuse of Jews, Communists and others in the East End of London. Similar police hostility to strikers and left wing propagandists has been evident in South Wales during all the disturbances of recent years and in the recent incidents at Haworth Colliery in Nottinghamshire.

Again it is clear that the police have received instructions to prevent as far as possible all anti-war propaganda. This has been particularly evident at a number of air displays where pacifist propagandists have had all their pamphlets and literature confiscated by the police who clearly have no shadow of a title to take this action unless there is serious danger of a breach of the peace. It is only, however, possible on rare occasions to obtain redress for high-handed actions of this kind and the general impression left on the mind of any person who is attached to the principles of liberty is that the police authorities of England are prepared to make use of their privileged position and power for the purpose of resisting all left wing or pacifist propaganda.





# AND WHAT OF THE AIR FORCE?

Lewis Clive

*In the last issue of the QUARTERLY an article appeared by this writer on 'Class Favouritism in the Navy.' Here a similar problem in the case of the Air Force is discussed. A much fuller treatment of this and similar problems of army organisation by the same author will shortly be published as a book entitled 'The People's Army' (Gollancz), with an introduction by Major C. R. Attlee, P C, M P.*

In a recent article we tried to indicate the methods by which the officers of the Royal Navy were chosen and the almost insurmountable obstacles in the way of a distinguished career for young men possessing all the necessary mental, moral and physical qualifications, but lacking money to purchase a public school or Dartmouth education and to supplement the inadequate pay of a junior officer. The career of all but a very small minority of such young men is limited by a very definite ceiling—as the aircraft manufacturers would put it—represented by the hard and fast line between the commissioned and the non-commissioned ranks, above which it is impossible for them to rise.

## THE JUNIOR SERVICE

What then of the Air Force? The Navy after all dates from an aristocratic age, when the existence of privilege in what now seem to us the most surprising forms was taken for granted. It is perhaps understandable that such traditions of favouritism should linger on in the older services whose structure has been little altered in the last two hundred years. But the Air Force is the creation of the twentieth century, and we might reasonably expect to find it built up on the more democratic principles of today. *Air Ministry Pamphlet No. 27* (6th edition, May 1936) supplies much of the information that we require. Its opening paragraph runs:

The creation of the Royal Air Force near the end of the Great War as a third and independent fighting service of the crown opened a fresh career in the public service. It is the aim of the Air Ministry to make that career no less advantageous than that offered by the two older services, in order that there may be attracted to it boys of the ability and character necessary to maintain the air defence of the British Empire.

The aim set out is indeed one likely to require the highest character and ability available. One would assume that in this



comparatively recent and up-to-date organisation the field of selection of officers is not limited to those who are capable of buying their way in. The remainder of the paragraph seems to confirm this natural assumption. 'To that end,' it continues :

entry into the profession through the Royal Air Force College is by competitive examination. . . . The cost of the preliminary training is within the capacity of those of moderate means. . . . The pay of officers even in the lowest rank is adequate to enable them to be independent of their parents and a permanent and pensionable career is offered.

In striking contrast to the other services, it seems we are offered all that, in the name of equality of opportunity, we could ask for, were it not for one significant sentence. Preliminary training, it may be noticed, does have to be paid for. And what is meant by 'those of moderate means' ?

## THE COST OF A COMMISSION

If we examine further we find that in fact entry into the commissioned ranks of the Air Force does cost less than is demanded by either the Army or the Navy. The cost of the two-years' course at the Royal Air Force College, Cranwell, we are informed, does not exceed £300, whereas the eighteen months' course for the Army at Sandhurst or Woolwich, which corresponds to it, costs about £400. The assertion that the most junior Air Force officer can live on his pay is true, for the pilot officer in the R A F receives 14s 6d per day which corresponds roughly, and without attempting too exact a comparison, to the 11s per day of the Army second lieutenant, and the 9s per day of the sub-lieutenant in the Navy.

But that is only after the cadet has been commissioned, and the fact remains that he must pay £300 for his training if he is to be commissioned at all. This, moreover, is not the full extent of the discrimination against those who are presumably not held to be fully eligible, socially or financially. For those whose background is satisfactory positive assistance is provided in the shape of reduced fees. The sons of officers, whether deceased, retired or actually serving, may enter for the payment of fees ranging from £140 to £220 instead of £300 for the two years' course ; and a limited number of 'King's Cadetships' are available to such persons upon the attainment of which no fees are demanded at all. At the same time for those officers who can perhaps afford the fees, but whose sons would be too stupid to qualify in a competitive examination, assistance is at hand in the shape of 'Honorary King's Cadetships.' These carry no reduction of fees but are granted to those who 'reach the qualifying standard

at the entrance examination,' but would not otherwise pass high enough in order of merit to obtain a place.

We find then that the ability and character equal to the air defence of the British Empire, if it is to be drawn in through this the main channel to the commissioned ranks in the Air Force, must be derived only from a class highly restricted socially and/or financially. The position is slightly better than in the case of the Army and the Navy, because the cost of training is somewhat less. The principle, nevertheless, remains precisely the same. The system of entrance to Cranwell, as to Sandhurst or Dartmouth, assumes that class distinctions are of greater importance than merit as such; and this principle is not substantially altered by the fact that at every examination half a dozen scholarships are offered to those who pass out highest, or that a modest number of cadetships are granted to 'Aircraft Apprentices,' that is to say boys who have been taken primarily for entrance into the non-commissioned ranks but have been picked out during their training as being suitable for commissions. In the year 1936-7 it appears that 304 permanent commissions were granted of which 54 or approximately one sixth went to men either so selected from the 'Aircraft Apprentices' under training or to NCO's at a later age.<sup>1</sup>

## SHORT SERVICE COMMISSIONS

So far we have been dealing only with the attainment of a permanent commission. It must, however, be remembered that the Air Force, unlike the other two services, offers only the minority of its officers permanent commissions. The great majority receive short service commissions and after a period of four years pass to the reserve. In the Air Force the officers represent the combatant section of the service, and the non-commissioned ranks chiefly the maintenance staff. Thus, unlike the Army, it is more essential to have in existence a large trained reserve of officers than of 'other ranks,' among which the wastage is not likely to be so great. The proportion of the two types of commission granted during the last years is shown in the following table :

AIR FORCE COMMISSIONS, 1934-7

	<i>Permanent Commissions</i>	<i>Short-Service Commissions</i>	<i>Total</i>
1934-5	124	230	354
1935-6	151	809	959
1936-7	304	1,115	1,419

<sup>1</sup> See *Hansard*. Answers to questions, 15-4-37 and 25-4-37.



Let us then see how short-service commissions may be obtained, and whether the principle in force is in any way different from that governing the award of permanent commissions. Candidates, we are informed, must be between the ages of 17 $\frac{3}{4}$  and 25 and have attained a standard of education equivalent to that of the school certificate. No other information is given but the candidate is required to make his application to the Air Ministry on a form which, besides the more obvious enquiries, demands details of father's residence, profession and birthplace, of mother's maiden name and birthplace, of the candidate's occupations or employments since leaving school, and of the schools which he attended from the age of 12 onwards. A further clause enquires :

Sports and games played. State whether ever a member of a first team at school, college or university, also games at present played, with particulars of clubs, etc.

The next step is as follows :

Candidates who from their application forms appear to be suitable will be informed that they have been placed on the list of candidates eligible to appear before the selection committee. Candidates to whom it is not possible to grant an interview will be informed accordingly. No appeal against the decision of the Air Council will be considered, nor will reasons for non-selection be furnished nor further applications be entertained.

Thus the selection of candidates for short-service commissions is carried through in a highly dictatorial fashion, by methods largely undisclosed and over which there is, to say the least, a minimum of democratic control. It might indeed be that the interview and question paper was largely a matter of form and that the great majority of candidates were accepted any way. The writer has, however, been allowed to see a letter written from the Air Ministry to a Member of Parliament who made enquiries on this point. The information is there given that during the year 1936-7 some 30% of all applicants were rejected without any interview and that 'a further number, rather less than 50%' were rejected 'on medical or other grounds after interview by the selection board.' In the absence of more detailed information one can only assume that in granting short-service commissions in the Air Force the current test is not so much fitness and merit as such details as father's profession, the games played by the candidate or—perhaps still more important—the clubs at which he plays them.

## CLASS FAVOURITISM

We have said enough to show that in the Air Force since the War, in that modern and mechanised force in which of all organizations intelligence and initiative should perhaps reign supreme, class distinctions have been fostered and built up in exact emulation

of the traditions of the other services dating from a former age. Not only is available merit not employed to its full ability, but such class consciousness must result in a sense of frustration and waste on the part of men in the non-commissioned ranks who are compelled to watch authority being exercised by others not possessed of half their own knowledge and ability, while their own possibilities of advance are strictly limited. It will be for the Labour Party when the time comes to see that as one of the first steps toward reforming the whole educational system, the training in the Air Force College, as in the other service colleges, is made free to those best fitted to profit themselves and the Air Force by it.

If the Government's £1,500,000,000 'rearmament' is to have any reference to fighting efficiency, one of the first necessities is to ensure that the use of these costly weapons be directed by those best fitted for the task, and not sold to those capable of paying for the privilege.

# REGIONAL PLANNING IN THE TENNESSEE VALLEY

Ernest Davies

Of the few concrete survivals of President Roosevelt's New Deal, those resulting from his power policy are the most striking. This is no accident as Franklin Roosevelt's attack on the power interests has been pursued with consistency and persistence throughout his political career. He has stood by his belief that the public utility interests through private mismanagement and financial greed were wasting natural resources and abusing monopoly power. His attack has been concentrated on the vested interests controlling holding companies who, through pyramided finance, control vast utility systems by retaining the voting power of the company which stands at the apex. In a recent speech Roosevelt estimated that the effective control of \$13,000,000,000 of electric utility securities was in the hands of owners of less than \$600,000,000. Roosevelt's policy is to cut a muscle in the four-inch tail which wags this ninety-six-inch dog. By frequent 'write ups' the capital values of private utilities, on which rates are based, stand in no real relationship to actual values. High charges are therefore made to the consumer out of all proportion to real investment, especially as monopoly powers enable the charging of such prices and the serving only of such customers as bring in the greatest profit.

## THE 'YARDSTICK'

Determined to break this community exploitation, Roosevelt devised the 'yardstick' method. By erecting Government plants to determine actual costs and fair rates a standard of measurement can be created:

A national yardstick to prevent extortion against the public and to encourage the wider use of that servant of the people—electricity.

These words were spoken by Roosevelt before he was elected president. His power policy is not only opposition to power interests and resentment at capitalist excesses. It is also a belief in the usefulness of electricity in national planning, a realisation of its all-important rôle in social reconstruction, national defence, flood control, navigation, soil conservation and the rehabilitation of rural areas.



## T V A

At Muscle Shoals on the Tennessee River, in North Alabama, there had stood idle since the war a Government-owned nitrogen fixation plant for the production of explosives and a hydro-electric power plant. Around this one-time white elephant has been built the Tennessee Valley Authority. In his message to Congress in 1933 President Roosevelt explained the wider conception of regional planning :

It is clear that the Muscle Shoals development is but a small part of the potential public usefulness of the entire Tennessee River. Such use, if envisaged in its entirety, transcends mere power development : it enters the wide fields of flood control, soil erosion, afforestation, elimination from agricultural use of marginal lands, and distribution and diversification of industry. In short, this power development of war days leads logically to national planning for a complete river watershed involving many States and the future lives and welfare of millions.

By Act of Congress in 1933 there was therefore created this public corporation 'clothed with the power of government but possessed of the flexibility and initiative of private enterprise,' to be administered by a board of three appointed by the President, to whom they are responsible, in consultation with the Senate at a salary of \$10,000 each. This makes an interesting comparison with the Chairman of the London Passenger Transport Board's \$62,500 a year.

The experiment has shown that through general economic planning the welfare of the community can best be served. T V A has survived political attacks inspired by a hundred conflicting interests, legal onslaught from power interests and opposition on the part of the conservative south made suspicious of all that emanates from politics through generations of dishonesty, jobbery and the spoils system.

## GEOGRAPHICAL CONDITIONS

The T V A area is a natural geographical unit defined not by existing State boundaries but by the flood bed of the Tennessee River which covers an area as big as England in sections of five south-eastern states. This river flows into the Ohio river, which is a tributary of the Mississippi and to whose devastating floods it contributes most generously. Successful control of the Tennessee River basin would materially assist in the prevention of floods in the Mississippi basin. Six hundred odd miles in length, the Tennessee River drops from its source in the Appalachian Mountains some hundreds of feet to sea level at its junction with the Ohio. It passes through country eroded by torrential rains, soil denuded of its nutriment through unscientific farming and the one crop system, land made swampy through lumbering of virgin forests.

This once fertile land, peopled by descendants of English and Scotch settlers and their slaves, is now poor for the most part as its farms, averaging twenty acres, are tilled for corn in Tennessee, tobacco in Kentucky and cotton in Mississippi. Hogs, cows, chickens are raised in the mixed farming of the district but no matter what crop, tenant farmers, share croppers and poor whites alike struggle for a livelihood which often does not exceed twenty pounds in cash a year. To raise the standard of living of the farming community and stop the drift to the town, to refertilise the soil and stop flooding and erosion was the problem set the T V A. Wise conservation of natural resources, flood control, education as to the right use of the soil, wise exploitation of all the natural resources of the area, cheap navigation, recreation through provision of national and state parks, the solution has been found not in one but in a combination of all. To regard T V A therefore as a mere instrument for attacking power interests would be to misconstrue its conception: it is a regional planning authority administering and carrying out much of its plan itself, part of which includes the generation and marketing of electricity.

### SCIENTIFIC FARMING

Starting out with two dams already built across the Tennessee River and a third projected on a tributary at its head, the Authority has planned a series of dams which will in effect create a string of connected lakes along the whole length of the river. By backing up flood waters in this way and releasing them during favourable periods, the flow of the river is controlled, electricity generated and navigation made possible. Flood control, cheap power and cheap navigation are the result of these multi-purpose dams. Removal of the fear and damage of floods makes soil conservation possible; the farmer becomes a readier listener to instruction on terracing, irrigation, the correct use of fertilisers and the proper rotation of crops. Cheap power brings labour-saving devices to the farm and makes farming more economical and less burdensome and slows down and may reverse the drift to the town. All year round river navigation is important in rural planning as though slower it is far cheaper, especially in a country where railway rates are highest in the sparsely populated agricultural areas and lowest in the industrial regions. This is the basis of the T V A regional plan, and it would be difficult to exaggerate the comprehensive manner in which T V A is carrying it out. Its personnel consists only of those who believe in the social utility of the job undertaken and no political interference is tolerated. In its struggle to keep clear

of political jobbery the Board has won. Promotion is through merit and collective bargaining is the rule. This highly qualified staff includes research workers in every field of modern science who are constantly devising ways and means of exploiting the natural resources of the Tennessee Valley to the greatest advantage of the community. For instance soil erosion in this mountainous district is due to heavy rains washing the top soil into the rivers and to unscientific farming. It can be prevented by terracing and by cultivating moisture-absorbing crops. The former process, done by hand, is laborious and slow, but T V A engineers have invented a cheap tractor type of machine which enables terracing to be done quickly and efficiently; this machine is now marketed by a commercial firm. To meet the other problem a great deal of research is being done as to the right kind of farming, the use to which the land should be put, the best crops to raise and the best fertilisers to use in order to prevent erosion and restore fertility to the soil. Experiments are undertaken largely in cooperation with the State agricultural colleges.

### SCIENTIFIC MARKETING

The raising of new crops is, however, to no purpose unless new markets can be found. The Tennessee Valley is a long way from densely populated districts, but its climate and soil is suited to the growing of quickly perishable fruits and green vegetables. Unfortunately the soft fruit season is short and market absorption is limited and in 1934 and 1935 much of the strawberry crop remained unharvested due to glutted market conditions. To cope with this a new electrical process for the quick freezing of fruits and vegetables, which keeps them fresh for over a year, has been developed by T V A in cooperation with the University of Tennessee. This will not only assure dependable markets for farmers' crops but enable important soil-conservation crops to replace soil-destroying crops and so restore fertility to the farm. Legumes, such as peas and beans, for instance, add nitrogen to the soil, while the roots of strawberries remain in the ground and, combined with the practice of 'mulching' with straw, hold moisture in the soil and prevent erosion. Such processes make transportation by water feasible and experimentation on refrigerator barges has taken place with success. These are but instances of experiments a great many of which are undertaken in relation to the whole problem of soil-conservation and scientific farming. Many would be useless but for a constant supply of cheap electricity which is essential to scientific farming.



## ELECTRIC SUPPLY COOPERATIVES

In the area covered by the Authority the generating and distribution systems are controlled by vast holding companies of which the chief is the Commonwealth and Southern Corporation whose president is Mr. Wendell Willkie. Rates were high and farming communities were often unable to get electricity laid on even when the demand existed. The Act creating the Authority authorised the sale of surplus power generated at the dams, but in doing so preference had to be given to states, counties, municipalities and cooperative organisations of citizens or farmers not operating for profit. The generation of electricity was to be considered primarily for the benefit of the community. Sale to industry is secondary and only permitted in order to secure a sufficiently high load factor to permit domestic and rural use at the lowest possible rate. The Authority had power to erect inter-transmission lines and to assist municipalities and non-profit organisations to acquire facilities for distributing power. To avoid duplication, assistance could be given to enable purchase of existing systems from private undertakings. Further, to prevent unfair competition and create a fair yardstick, costs of dams erected and taken over had to be apportioned between flood control, navigation and generation of electricity. On this basis of capital cost the power projects were to aim at being self supporting and self liquidating, which means that the surplus power must be sold at such rates as to cover costs of production. Net proceeds are paid to the U S Treasury.

To carry out this policy cooperation with the holding companies was sought at the outset. For \$3,000,000 T V A bought certain properties of four power companies, subsidiaries of Commonwealth and Southern, and with these as a basis proceeded with a programme of rural electrification. It encouraged municipalities to take over these systems and farmers to form cooperatives to create new systems. It fixed the rate at which electricity could be resold by the municipalities and cooperatives, at about half of what the companies were charging before T V A entered the field. The Authority assists in the formation of cooperatives, but under no circumstances does it initiate it. Its first principle is that the impetus must come from below. The cooperative is formed by the farmers but T V A will make surveys and advise on the suitability of any area for a cooperative. Once a cooperative is incorporated, all desiring to be served can join by paying \$10 membership fee, and the Rural Electrification Administration will loan at government interest rate the cost of erection of the transmission lines. Amortisation over twenty years is effected by adding a percentage

charge to the consumer's monthly bill. The co-operatives are administered by paid organising superintendents who work in close contact with T V A. The minimum economic unit is about five hundred customers. Members can borrow from the Government agencies both the cost of wiring their houses or farms and the purchase price of electrical equipment, such as electric stoves and refrigerators. The income of the cooperatives pays expenses and amortisation and any balance goes to speedier amortisation because rates contracted with T V A cannot be changed. The cooperatives are young, the first being formed in 1934, but so successful have they been that in some instances it is expected that the cost of the lines will be repaid in six or seven years. Rates are extremely low. For a five-room house monthly cost of lighting, use of small appliances such as radio, iron, etc., electric cooker, refrigerator and water pump averages about \$5 or £1 a month. A house with lights and small appliances only is perhaps more comparable to an English home and in that case monthly cost is estimated at only six shillings or £4 a year.

### ECONOMY OF LOW PRICES

Results have fully justified the T V A policy of charging low rates to stimulate consumption. The great advantage of hydro-electric generation is that costs of distributing electricity may be minimised through the intensive development of the market. The major elements of cost are fixed and increased production entails little additional cost in the way of labour or raw materials. Economies can therefore be achieved through increase in the volume of power consumed by existing customers. As consumption increases the fixed or overhead costs are distributed over an increasing number of units, and the cost per kilowatt-hour is reduced. Probably in no industry does increased consumption reduce total costs more extensively than in electrical distribution. In selling power wholesale to municipalities and associations T V A fixes its price to cover all costs. The resale rate it fixes is intended to provide sufficient revenue for operating expenses, including the cost of power, interest, depreciation, tax equivalent, return on investment and a surplus for new construction or retirement of indebtedness. Following the introduction of T V A rates, private distributors also materially reduced their rates and found that demand increased to such an extent that total profits at lower rates were as great or greater than at higher rates. Elasticity of demand had, in the past, been largely under-estimated.

In cases where T V A took over private utilities in 1934 results were spectacular. In thirty communities, for instance, the total

annual saving to the consumer immediately realised upon application of T V A rates was 47%. This saving amounted to \$26.21 per customer per year. This is partly the result of fixing rates on a system of declining charges as consumption increases. For instance, at the outset residential rate was fixed at 3 cents per kilowatt-hour for the first block of energy, the second at 2 cents and the third at 1 cent. Under the rates prior to T V A service the average price for residential consumers in these communities was 6.31 cents per kilowatt-hour. After the new rates had been in effect for some months, average rate stood at 2.93 cents per kilowatt-hour, or a reduction of 3.92 cents of which it is estimated just over one-half of a cent. per kilowatt hour was due to increased intensity of use.

### TACTICAL OBSTRUCTION

The companies have fought T V A on every possible occasion. Not only was the selling of power challenged as unconstitutional in the early days but every obstacle has been put in the way of municipalities from acquiring systems to purchase T V A power for distribution to the community. The main method when a municipality voted to purchase existing facilities was to delay and then obstruct through litigation. If negotiations are entered into at all, a fantastically high price is asked and even if agreement is reached on any price, a suit will be initiated in the courts to prevent sale. Instance after instance can be given of the obstructionist tactics of the power interests on efforts of cities to purchase distribution systems. Knoxville, Tennessee, where the headquarters of T V A are situated, is typical. For four years power interests have prevented purchase of the existing privately owned system, and when the city went ahead with plans for construction of a section of its proposed system work was halted by an injunction. This was later dissolved but construction had to stop when the right of the Public Works Administration to make grants to municipalities to construct their own systems was challenged in the courts. Finally in January this year the Supreme Court declared such grants constitutional, so Knoxville after four years' delay, can proceed to build an electricity distribution system to bring cheap T V A power to the town.

### T V A AND THE CONSTITUTION

This decision is a serious reverse for the vested interests because it makes obstructionist tactics useless. Failure to sell out where municipalities wish to buy will lead to erection of duplicate facilities and this must force the companies to come to terms,



especially as this decision was soon followed by another defeat of the power interests in the courts. The second decision was favourable, thanks to Roosevelt's court reforms of last autumn. A suit brought by eighteen power companies challenging the constitutionality of the T V A came before a three-judge circuit court presided over by America's only woman federal judge, Florence Allen, instead of before a prejudiced single judge. The court decided not only that T V A was constitutional but that the companies had no immunity from lawful competition even if their business was curtailed or destroyed. An appeal from this court will go direct to the Supreme Court but the decision is almost certain to be confirmed, both because T V A won a previous appeal when the sale of power from Muscle Shoals was challenged and because there is now a majority of progressive judges on the Supreme Court Bench.

### STATE v PRIVATE ENTERPRISE

Entrance of Government into the electricity business has been costly for the power interests. While profits have not declined, thanks to lower rates and increased consumption, uncertainty and fear has sent security prices of public utilities affected down to a very low level. The companies have thus been unable to convert high interest bearing bonds and preference shares to lower rates and have been unable to raise new capital. Had the power interests been more conciliatory in the early days this débâcle need not have occurred. As it is these recent court decisions give the Government the upper hand and already Mr. Willkie has made gestures which may be more than his usual bluff. He is now willing to sell out at a price to be fixed by arbitrators, but he will sell all or nothing. His complaint has been that piecemeal purchase dismembers his system. T V A board has authorised Mr. Lilienthal, the director most concerned with T V A's power programme and its chief protagonist in its fight with the power interests, to enter into negotiations for purchase, but possibilities of their successful conclusion are very limited. In the first place T V A has not yet the power to purchase outright although Congress could give it power. Secondly T V A does not want the whole of the private system in its area, and thirdly the divergence between Mr. Willkie's ideas on value and Mr. Lilienthal's is very great. The solution may be found through State purchase as suggested by the governor of Tennessee or by municipal purchase of distribution facilities and T V A purchase of transmission lines. The alternatives to selling out which face the vested interests are costly competition or negotiations for the pooling and distribution

of power throughout the area. This Roosevelt has favoured but the companies have resisted.

Whatever is the outcome of the present situation, so successful in its regional planning has T V A been, and so victorious in its fight with the power interests, that it will go on. Opposition there still will be, but not enough to stop regional planning around electrification. Other projects following the T V A pattern are nearing completion, while the President is formulating proposals for creating regional planning authorities for the whole continent on the same model. While, for tactical reasons, Roosevelt may now find it best to confine progress to existing projects, the achievements of his power policy are the last of the New Deal that would be abandoned. It is from this aspect of the New Deal with its demonstration of successful co-ordinated economic planning within a natural geographic area that this country has the most to learn. Application of the same principles to certain of the Special Areas, utilising natural resources for economic development might well be more successful in restoring economic activity than the present piecemeal efforts.

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# A BASIS FOR A POPULAR FRONT

*The following report has been prepared by members of the N F R B Manchester Group. It must be emphasised that it is put forward solely for purposes of discussion and does not commit N F R B in any way.*

The adoption by the Labour Party of the short-term 'Immediate' programme has taken us a long step forward towards a realistic policy related to the immediate situation, as compared with the vague long-term plans of previous years. But in itself it is insufficient. In essentials it could meet with agreement in many quarters outside the Party—in the Next Five Years Group for instance. In time perhaps we might hope to obtain a full majority on it. But hardly, we think, in the near future. And a cardinal defect of the programme is that it does not appear to realise the urgent necessity, above all in international affairs, of turning out the present Government as soon as possible. We cannot afford to wait until a majority of electors are converted to voting Labour, even on a one Parliament programme. And the 'Immediate' programme, in its relegation of international affairs to the background, in its rather vague statement of foreign policy and, above all, in the fact that the Party, in issuing it, still refuses to accept support from outside its own ranks, betrays little sense of this.

## INTERNATIONAL EXPERIENCE

The programme is obviously inspired to some extent by Henri de Man's *Plan du Travail*, though it is less a real Plan to meet a particular situation and more a programme of long agreed policies than the Belgian proposal. It follows the Belgian tactic of trying to rally non-socialists behind the Labour Party, rather than the French and Scandinavian policies of alliance with non-socialist parties. But it must be remembered that the Belgian Plan announced that the party would take office with the support of members of any other parties who were prepared to accept the Plan as a means of cooperation on immediate issues. In the upshot, emergency conditions forced the party to take office in a coalition on a programme embodying less than the Plan. Only in New Zealand has a Socialist Party secured an absolute majority. It does not seem likely that in the near future the British Labour Party will be able to secure



such a majority. If when an election does come the most likely thing happens and the Party finds itself in the 1929 situation, without a majority but, with the Liberals, outnumbering the supporters of the National Government, the position will be that it will either have to acquiesce in the formation of a new National Government including the Opposition Liberals, or form a coalition with the Liberals itself, or form a minority government. The first would be a temporary and unsatisfactory solution. Either of the others, in the absence of a pre-election agreement on policy, upon which the Liberals would be responsible to the electorate, would once again place the fortunes of the Party at the mercy of the Liberals.

## A COALITION POLICY

For these reasons, and others, we consider it essential that the important parties of the Left should be pledged to an agreed programme before the next election, and that the Labour Party should acknowledge its readiness, in view of the emergency situation, to collaborate in every way, including the formation of a coalition government, with all those prepared to pledge themselves to support the carrying out of a policy to deal with the foreign and home situation of the next few years, to avoid war if possible and to resist any further advances of Fascism, either on the national or the international plane. A suitable policy, of which the essential elements could not be modified, is detailed below. It could not, of course, be carried out without driving the National Government from office.

We suggest that at the first opportunity the Party should put forward a policy on the lines suggested, or modify the 'Immediate' programme along these lines, and announce that in the achievement of this policy it will welcome the support of all who are willing to pledge their allegiance to it whether they desire to join the Party or remain in their own groupings; that it will welcome them on its platforms and in its propaganda work; and that it is prepared to take office either alone or in alliance with others in order to carry it out. Non-party organisations of all kinds could be roped into the fight, and when an election comes, arrangements could easily be made, not necessarily with Party headquarters, but with the candidates and M P's of other parties who had pledged their support to the policy, to ensure that in each constituency the policy should be represented by the candidate most likely to secure a majority.

The following is an outline of the policy which we believe should be adopted, and on which alone the Labour Party should

agree to rearmament and to collaboration with other parties. Some of these points are clearly essential, while others, though we think they should be put forward, might form the subject of a certain amount of compromise. But the policy in its essentials is conceived as a whole; neither the foreign policy nor the home policy can be taken out and advocated independently. They are dependent on each other.

## FOREIGN POLICY

(a) The extension of our guarantees of the frontiers of France and Belgium against any kind of unprovoked aggression to all other European countries, and the offer of the necessary assistance, financial, economic, and military, under the League Covenant as thus interpreted, all countries willing to join in a League policy of collective security, if they should be the victims of aggression.

(b) The strict definition of aggression, which must include the supply of armaments to other than Government forces. The possible objection to this that it will prevent the possibility of the upsetting of Fascism in fascist countries is surely unfounded, since it is clear that it will in any case be exceedingly difficult to supply arms to rebels in these countries. The prospect of revolution there depends on the revolutionaries getting into the armed forces and the fascist cadres; and the above point is essential to defend the non-fascist countries. Recognition of conquests must be refused.

(c) A proposal for general disarmament, starting with the abolition of all aggressive weapons for land war, and with an air pact based on parity between Great Britain, France, Germany and Russia, making special allowances for the geographical position of the British Empire and of Russia.

(d) The offer of a defence alliance against any power that refuses to sign or loyally to execute the disarmament convention proposed.

(e) With countries which accept the above policy, a policy of planned economic development must be attempted. Dependent colonies must be internationalised under supervision and measures devised for the international control of raw materials and foodstuffs.

(f) As soon as practicable, measures must be devised for reform on the political plane by revision of treaties and the building up of more active political collaboration. But this must be dependent on the abandonment of economic nationalism and the safeguarding of the rights of minorities. It is difficult to believe that it can be achieved until the dictatorships have been overthrown from within.

## REARMAMENT

The policy outlined above will demand a continuance of rearmament, but this must be planned, quantitatively and qualitatively, to meet the needs of the policy and that alone. A Ministry of Defence must be created to develop a unified policy. Moreover support for rearmament must depend entirely on several important corollaries.

(a) The nationalisation of arms manufacture, or at the very least the implementation of the recommendations of the Arms Commission.

(b) The financing of rearmament by taxation.

(c) The establishment of compulsory membership of trade unions in all arms factories, and the creation in these factories of recognised workers' committees and shop stewards to see that regulations which must be established for the protection of labour are carried out. This is particularly essential in the period before all arms factories are taken over by the State.

(d) The insertion of a clause in the contracts or oaths of all members of the armed forces releasing them from the obligation of obedience if ordered to intervene in industrial disputes.

(e) The establishment of freedom of political propaganda, and entry of political newspapers, other than propaganda of a definitely seditious nature, in all sections of the armed forces. Control of this by the formation of councils of rank and file soldiers on the lines of workers' advisory councils, to supervise all amenities for soldiers, etc., bring forward complaints and assist in the administration of military justice.

(f) The greater democratisation of the armed forces; to include the facilitation of promotion of the rank and file.

(g) The stimulation of education, particularly in the obligations of international policy, among members of the armed forces by independent bodies like the W E A.

(h) The elaboration of a military policy for League action, directed to securing the minimum of suffering to civilian populations.

In a League war of defence against aggression, for instance, everything possible must be done to win the population of the aggressor country over to the League side and induce it to throw over its defaulting Government.

Thus on a League decision that a certain country is an aggressor, the decision might be immediately broadcast in the language of the aggressing country from every available wireless station together with a cool statement of the position, if possible by a neutral, and



an exhortation to the population to rise and overthrow its aggressor government. Aeroplanes should immediately fly over the aggressing country and its troops and drop not bombs but leaflets containing the same statement and appeal and offering assistance in revolution and reconstruction to the people of the country.

A policy on such lines aimed, as all this policy is aimed, at resisting real aggressors while preserving the moral leadership, should go far towards turning over to a League policy a large proportion of the pure pacifists.

It cannot be too strongly urged that the Labour Party should immediately work out and adopt a full policy for the armed forces, which it must henceforth accept as an integral and honoured part of a socialist and democratic state. This policy should include among other things plans to make the transition from military to civil life and work much easier, to break down the separation of members of the armed forces, particularly rank and file members, from the civilian population, and to find ways of seeing that the armed forces are usefully employed in helping forward the general development of economic and social life in peace time as well as war. For if another war should come we want it to mean the minimum disturbance of economic life and construction, and must make it possible to rebuild when it is over as rapidly as possible.

If the Party takes office in a coalition, it must insist on having its nominee at the head of the Ministry of Defence and any other defence ministries.

In the meantime it should be an obligation for all members of the Labour Party to mix with members of the armed forces as much as possible, and to find out their opinions and complaints and feelings. It is high time the Party abandoned its practice of treating the armed forces as untouchable. If we secure the adoption of our policy we shall have to encourage recruiting.

## HOME POLICY

This must be conceived in relation to our foreign policy and have as its central driving force the determination to create in this country economic conditions for the mass of the people which will make the country and the democratic system worth defending, which will in effect restore confidence that we can build in Britain an economic and political system of which we can be proud and which will be able to make a new contribution to the development of world civilization.

Such a policy should include :

## Planning

(1) National control of banking and financial institutions, and the creation of a National Investment Board.

(2) National control and coordination of transport and other monopoly or semi-monopoly public utilities such as electricity and gas, coal, iron and steel, in the interest of consumers, preferably by nationalisation if we can secure agreement on this.

(3) The creation of an organ for economic planning which will exert sufficient control over other large industries to make them conform to a national plan, and will afford smaller industries full facility to develop under private ownership, so long as they show initiative and enterprise which increases the economic and technical resources of the country.

## Unemployment

(4) A policy for the abolition of unemployment.

(a) Long-term unemployment. A policy of planning to cure unemployment in the distressed areas, largely by the decentralisation of industry and the creation of new industries.

(b) Periodic unemployment. The adoption of the Keynesian policy of regulation of the trade cycle by

(1) Credit control

(2) Public works (at the right point in the trade cycle)

(3) Control of overtime and hours of work

(c) The further reorganisation of public assistance to make the support of the general unemployed, while the above policy is coming into effect, and the seasonal and residual unemployed thereafter, a completely national and not a local responsibility. The family means test should be abolished and the standard of provision raised considerably.

## National Health

(5) A policy of national health.

(a) A national food policy to secure adequate and good food for all, both in peace and war. The reorganisation of agricultural marketing and the building of an organised system of distribution which can be expanded in an emergency, using the cooperative movement as the basis for this.

(b) Continuance and extension of the drive for improvement in housing and living conditions.

(c) Expansion of the campaign for physical fitness, and inclusion of the further building up of state medical services and hospitals.

All these points, but (a) and (c) particularly, while highly desirable for peace-time reasons, are essential measures if we are to be prepared for war.

(6) A policy for the revival of agriculture.

This should include the taxation of land values, the reorganisation of agricultural marketing machinery above referred to, to develop our supplies of commodities such as fresh fruit, fresh milk and vegetables which it is most difficult and uneconomic to import, the paying of guaranteed prices to farmers, combined with a much more active policy of assistance and control in the proper utilisation of the land.

(7) Education.

The raising of the school leaving age first to fifteen, without exemptions, then to sixteen; and the inauguration of a great drive for more efficient, extensive and imaginative technical education and research.

(8) Foreign Trade.

The stimulation, so far as practicable, of international trade on a planned basis, using the Franco-British-American monetary agreement as a beginning.

### **Democratic Reform**

(9) Democracy and efficiency.

(a) The reorganisation of Parliament and local government services to secure greater efficiency and more democracy.

(b) Compulsory publication of accounts of all political party funds and limitation of expenditure on political propaganda.

(c) A new Press law.

(d) Reform of the B B C (methods of recruitment and staff control, censorship, allotment of time to various organisations, etc.).

(e) Repeal of Trades Disputes Act, Sedition Act, and other legislation offensive to civil liberties.

### **DEFENCE AGAINST FASCISM**

We need not consider that by adopting such a policy, and by agreeing to collaboration with other parties, we are compromising the future of Socialism. On the contrary. At the present time the most urgent task is to prevent the further growth of Fascism. The methods adopted to defeat internal and external Fascism differ singularly little in principle. In each case strong measures, involving the readiness to use armed force, must be taken to prevent any further aggression by fascist forces. In each case, at the same time,



action must be taken to change as many as possible of the economic, psychological and political factors which encourage the fascist outlook. In each case we must combine with all people who are ready to assist in this immediate task of preventing further fascist expansion. The policy outlined above will do that. Abroad, by building up a strongly armed alliance of democratic (America and the Dominions), democratic coalition (France, Belgium, Czechoslovakia, China, etc.), Socialist (Sweden, Norway, New Zealand), and Communist (U S S R) States, determined to resist any act of aggression by Germany, Italy or Japan, and to put an end to those (as in Spain) at present taking place ; at the same time replanning international economic life among themselves and offering a share in that replanning to Germany, Italy, etc. At home, by dissolving fascist organisations or rendering them incapable of aggressive activity, by preventing the spread of their power or their attitude in the armed forces and police, by impregnating the defence forces with democracy ; and by planning the economic life of the country so as to give a prospect of a satisfactory life, from both the economic and psychological angles, to most of those discontented sections of the population which might form the basis for Fascism ; by uniting and using for this purpose all who are willing to assist.

### A POPULAR PROGRAMME

Such a policy will meet at first with some opposition in the Labour Party itself, among those who are still opposed to any idea of collaboration as well as those of the Right wing who want to collaborate with the National Government and those on the Left who want to begin by collaboration with the Communists, or want a full Socialism at once. It will find opposition in the Liberal Party, which still rejects the idea of an alliance with the Labour Party. It will probably be opposed by the Communists because it ignores their demand for Labour affiliation and for a prior alliance with them ; and by the Left wing Conservatives because it implies the overthrow of the National Government.

But because it will respond to the real needs of the situation and of the mass of people in the country, it will find ever-increasing support. Because it expresses the essential immediate aims of all the political groupings mentioned above, it can and must overcome their reluctances. As people all over the country are drawn into the struggle for it, first on one point, then on another, they will find their agreement on the whole policy becoming more close, they will find it impossible to separate, and the demand for a government pledged to carry out such a policy will grow with such force that it will be impossible to resist it.

# SOUTH WALES SURVEY

## THE SECOND INDUSTRIAL SURVEY OF SOUTH WALES.

Directed by Professor H. A. Marquand.

(3 volumes. University Press Board, Cardiff, 1937.)

### Reviewed by Brinley Thomas

This Survey was made possible by a grant given to the National Industrial Development Council of Wales and Monmouthshire by the Commissioner for Special Areas (England and Wales).

The task was to ascertain the potentialities of the Industrial Region of South Wales, with particular relation to the Special Area, for the expansion of existing industries and the establishment of new industries.

The results are set out in three partly volumes containing an exhaustive description of the present industrial structure, the resources and general facilities, and the detailed possibilities of new economic development in the area.

The Report argues for definite State interference to stimulate investment in South Wales. The Government ought to recognise that the area has been discriminated against by recent acts of national policy, e.g. Tariffs, Trade Agreements with Scandinavia which diverted Polish and German coal into South Wales markets, and Sanctions which ruined the important Italian market. The trading estate method is regarded as eminently suitable, but it should not exclude more direct incentives. It is urged that further State aid in the encouragement of new industries in South Wales would be economically justifiable, on the grounds that considerations of social gains would outweigh any apparent private disadvantages.

Students of population will be interested in the first few pages of Chapter I of Volume I, where an attempt is made to estimate the trend up to 1945. Under the combined influence of the fall in the birth rate and migration South Wales is being rapidly transformed from one of the youngest into one of the most aged communities in the kingdom.

Another instructive piece of analysis is that of *Labour Supply and Demand in the South Wales Coalfield*, by Miss Hilda Jennings, which occupies the first half of Volume III. Among other things it brings out clearly how the shrinkage of the coal industry has increased the average distance travelled by miners from their homes to the pits. House accommodation is not as mobile as the quotas under the Mines Act.

The authors deserve praise for the thorough manner in which they have carried out their mandate. They have produced a detailed anatomy of a decaying coal mining community, and have added what they consider to be the appropriate remedies. There may still be several considerations which make the Government hesitate to embark on a bold act of policy; but, after this Survey, they certainly cannot fall back on the excuse that they do not know enough about the facts.

## 1

### A SURVEY OF THE SOCIAL STRUCTURE OF ENGLAND & WALES

by A. M. CARR-SAUNDERS and D. CARADOG JONES (OUP 10/-)

This is to all intents and purposes a completely new edition of this work, the first edition of which appeared in 1927. The Census and the continual flow of statistics have made it possible and necessary. 86 tables, and 226 pages of comment cover a vast field—population, wealth, education, crime, insurance, etc., etc. It would take Germanic thoroughness to read the book outright, no doubt; but as a guide to any of these subjects it is invaluable.

P. V.

### CONSUMERS' CO-OPERATION IN GREAT BRITAIN

by A. M. CARR-SAUNDERS, P. SARGANT FLORENCE and ROBERT PEERS, assisted by numerous others (Allen & Unwin 15/-)

This work has very great value; for not only does it describe the working and structure of the Consumers' Co-operatives in great detail, but it also allows itself room to criticise. This last is particularly welcome, because admiration has in the past often been tarnished by the slightly resentful way in which criticism was received from the outside. So the change is doubly welcome; for it shows that the Cooperative Leviathan is rousing itself to meet the strangling of the consumer by combines and restriction policies.

P. V.

### THE POPULATION PROBLEM IN EGYPT

by WINDELL CLELAND

(Luzac & Co 10/6)

Mr Cleland suggests that overpopulation in Egypt is imminent, if not already present. Conclusions based on vital statistics collected from Egypt's illiterate community are unreliable, but recent censuses and estimates of the birth and death rates do indicate to him that the population is increasing more rapidly than the productivity of the land. The ravages of the endemic worm diseases are stressed, particularly since amongst the Fellaheen their effect induces a listless toleration of a wretched standard of living. Mr Cleland hopes that a reduction in numbers would increase the standard of living; he fails to mention that the social structure of the country makes this very problematic.

L. G.

### NATIONAL FITNESS

ed. by F. LE GROS CLARK (Macmillan 6/-)

A National Fitness Campaign has been launched; but it is patent that physical exercises cannot take the place of proper feeding and conditions of living. We have, as one of the authors points out, 'reached a point of frustration', in extending the improvements of the last century. Public interest is being stimulated, and this book admirably provides 'a few first principles and frames of reference' by which the reader can examine the situation and form his own conclusions.

P. V.

### PROBLEMS OF TOWN AND COUNTRY PLANNING

by SIR GWILYM

GIBBON, C B, C B E (Allen & Unwin 5/-)

By an experienced Civil Servant who had much to do with preparing Town Planning Acts. Realistic and valuable in detail. Doubtful about national planning, and too respectful to wisdom of industrialists in siting factories. Advocates pooling of land ownerships as the only defence of private property against socialisation. The book of a practical administrator balanced on a knife-edge between an acute awareness of the necessity of real planning and the prejudices of a lifetime of individualistic orthodoxy.

F. J. O.

### THE WEAVER'S WAGE

by E. M. GRAY (Manchester University Press 5/-)

A thoroughly competent and lucid monograph on a subject whose importance is only equal to its intricacy. It is a comprehensive presentation and analysis of the two wage censuses taken in 1936 and 1937 by the Amalgamated Weavers' Association. There is a very useful presentation of the facts relevant to the 'more looms per weaver' controversy and to the position with regard to ordinary and automatic loom working. The appallingly low wages resulting from underemployment and their relative importance in the industry are clearly demonstrated. Finally, there are two very important chapters on the position of ancillary workers in the industry.

It is almost superfluous to add how clear and ample are the statistical tables. A truly excellent piece of work, as might be expected from the Economics Research Section of the University of Manchester.

J. T.

### A CITIZEN'S GUIDE TO SOCIAL SERVICE

by J. Q. HENRIQUES.

(Allen & Unwin 10/6)

Mr. Henriques covers a wide field. On public assistance, he seems to think that the State should only come in when the case of an individual passes beyond the competence of the voluntary organisation, and that the individual himself should



not wish to have recourse to State aid, which still carries, and he would add should carry, a social stigma with it. The theory presumes a rich, leisured, and benevolent class, able and willing to 'care for the poor'. Mr. Henriques believes devoutly in independence, but it seems not to occur to him that, through their own elected representatives on public bodies, the poor may choose to "care" for themselves.

B. D.

**INDUSTRIAL RELATIONS IN THE MODERN STATE** by R. KEITH KELSALL and T. PLAUT (Methuen 5/-)

A brave attempt at a comparative introduction in 130 pages, with useful bibliographies and references. The aim of objective description and the impossibility in a book of this length of discussing the machinery against the background of underlying labour policies in states varying from liberal to totalitarian, inevitably make the account somewhat unrealistic.

E. J.

**THE POPULATION PROBLEM** by T. H. MARSHALL, A. M. CARR-SAUNDERS, H. P. HENDERSON, R. R. KUCZYNSKI, ARNOLD PLANT (Allen & Unwin 5/- net)

An authoritative volume on the population problem presented in an elementary form for the general public. Prof. Plant criticises post war immigration restriction, while indicating the danger in recommencing assisted emigration from Great Britain; Dr. Kuczynski discusses World Population problems; the other contributors are concerned with the impending decline of population in Great Britain, the causes, the consequences, and possible remedies. Mr Marshall tells us what the public are thinking about the matter; Prof. Carr-Saunders deals with the quantitative aspects of the situation, and Mr Henderson indicates economic consequences. The political implications of the situation are ignored, and the dangers perhaps exaggerated into a scare; the book, however, is an excellent introduction to the subject.

L. G.

**CRIME AND THE COMMUNITY** by LEO PAGE (Faber & Faber 12/6)

This book deals with the theory of punishment, conditions in existing penal institutions and suggestions for reform. The author is obviously well qualified to speak with authority on his subject, though his general approval of the administration of a prison such as Dartmoor does not succeed in removing the uneasiness which must be felt by all who have read recent accounts of that place by ex-inmates. In the concluding section of the book Mr Page contends that the present system, though well administered on the whole, is based on wrong principles. That it is based on wrong principles, few enlightened people would deny, but there will not be the same unanimity on the question of administration.

G. W.

**THE FACTORIES ACT, 1937** by H. SAMUELS (Stevens & Sons 30/-)

Last year's Factories Act was certainly unduly timorous and much can be said of its shortcomings. But it was a marked advance on what had gone before. As far as safety is concerned the hopelessly inadequate safeguards of the earlier Act have been replaced by a fairly elaborate code which, though still unsatisfactory, will bring a certain degree of increased security to the worker. Mr Samuels reviews in detail the changes which have been brought about. The book contains the complete text of the new Act, with copious annotations as well as the material Regulations and Orders at present in force. It is indispensable for those concerned with factory administration.

G. W.

2

**MONETARY NATIONALISM AND INTERNATIONAL STABILITY**

by F. A. VON HAYEK (Longmans 5/-)

Five lectures recently delivered by the author at the Geneva Institute of International Studies. The topic is the familiar one of Exchange Policy discussed in its most fundamental aspects. As we should expect the author is strongly opposed to independent exchanges and what he calls Monetary Nationalism. At the same time he emphasises the defects of a gold standard operated with modern national credit systems. He wants to go back to a system which will approach as nearly as possible to an international metallic money.

Written for specialists and lacking both the obscurity and novelty of *Prices and Production*, this book by a leading conservative in monetary theory is not likely to cause the progressives many sleepless nights.

H. T. N. G.

**CONSUMERS' CREDITS AND UNEMPLOYMENT** by J. E. MEADE (OUP 5/-)

An extraordinarily detailed plan for attacking the trade cycle by payment of consumers' credits varying according to the percentage of 'cyclical' unemployment.

Mr Meade holds that the popular theoretical weapons of monetary expansion and public works cannot in practice be sufficiently flexible for the job; they cannot restore money incomes and purchasing power fast enough. He is probably right, but the scheme he suggests presents grave political difficulties. **R. W. B. C.**

**LAMENT FOR ECONOMICS** by BARBARA WOOTTON (Allen & Unwin 6/-)  
A brilliantly written book over which every economist should ponder deeply.

Mrs Wootton's general criticism of traditional economics suffers in parts from the vagueness and imprecision of her language, so that we are not quite sure what she is attacking, e.g. she speaks of the 'Marshallian-Pigouian' tradition and of the 'Marshallian-Robbinsian' tradition; sometimes they mean the same; sometimes not—yet exactitude here is of great importance to the argument. The specific attacks on the idiocies to which a too narrow conception of 'economic science' can lead us are much better done.

Mrs Wootton's own methodological position is not altogether clear, but is probably nearer that of Marshall than she would have us believe. The title is unfortunate—for her extremely important last chapter proclaims a hope rather than a lament for economics—at least to those economists who would rather 'impurely' contribute to social welfare than 'purely' contemplate the mathematical beauties of 'economic science'. **J. T.**

**A PROGRAM OF FINANCIAL RESEARCH, VOLUME II.** Prepared by the (American) National Bureau of Economic Research (Macmillan 6/6)  
The first volume was recently reviewed here. This describes and collates the subject matter and broad method of all the jobs of financial research which are being done in the United States by Government and semi-Government agencies, research bureaux, private organisations and individuals. An admirable and necessary piece of co-ordination. Here's an example for the new Institute of Economic Research.

**R. W. B. C.**

### 3

**MICHAEL BAKUNIN** by E. H. CARR (Macmillan 25/-)

This is an elaborate biography, which does justice to Bakunin, though perhaps not to his critics. Of the man himself, an imaginary conversation made up when bored on a journey is perhaps the best guide: 'Why are you travelling?—To raise a rebellion. Against whom?—Against the Emperor Nicholas. By what means?—I scarcely know myself.'

**P. V.**

**IF WAR COMES** by R. E. DUPUY and G. F. ELIOT (Macmillan 12/6)

One more commentary on modern warfare, written this time from what might be the comparatively independent, but turns out to be the largely negative, standpoint of two American Army officers. 'We are here concerned with strategy and not with politics.' A rehash of the technical data which has gone to the making of a number of similar books in recent years; and some singularly lifeless estimates of the situation as it should appear to the leading individual Powers.

**L. C.**

**A HANDBOOK OF PUBLIC INTERNATIONAL LAW**

by T. J. LAWRENCE (11th edition, revised by Percy H. Winfield. Macmillan 3/6)  
In a new edition of this useful little textbook one naturally looks first at the sections on neutrality and the League to see what changes are incorporated. Of the second it is significantly pointed out that the economic sanction as a deterrent of the aggressor 'is weakened by the fact that each member of the League may judge for itself whether an occasion for its application has arisen.'

**H. R. G. G.**

**AIR WAR** by W. O'D. PIERCE (Watts 2/6)

A simple history of aircraft development by a technician, who confirms the belief that the 'bomber will always get through.' To create panic and assure a rapid surrender, the Fascist nations concentrate on air warfare: and in this country all the best brains and most of the money are engaged in planning reprisals rather than passive defence. An eloquent lament of an aircraft engineer. Few can fail to sympathise with those progressive technicians who are forced to prostitute their scientific talents to the destruction of mankind.

**R. S. J.**

**WAR CAN BE AVERTED** by ELEANOR F. RATHBONE, M P (Gollancz 5/-)

A plea for the establishment of a Peace Front of non-aggressive nations. The Policy is familiar and substantially the same as that of the Labour Party. The details,



however, are scarcely worked out. The greater part of the book is taken up with criticism of the National Government's policy and an analysis of the weakness of the Peace Movement in Great Britain.

Very pleasantly written and containing much valuable propaganda material, it should be read by Labour candidates and others speaking on or interested in foreign policy.

H. T. N. G.

**GERMANY—World Empire or World Revolution.** By G. Reimann. (Secker and Warburg. 10s. 6d.)

By a German Communist who was high up in the councils of the Communist International. He left the Party in 1932. This is a serious attempt at a Marxian forecast of Third Reich policies, internal and external. The author starts from the division of the world in Have and Have-nots and regards Fascism as the outcome of Have-not status. Lenin's theory of the workers' aristocracy provides the link. The late-comers amongst the capitalist states found themselves unable to establish a colonial empire and an important fund of foreign investments. Accordingly, capitalist exploitation is mainly directed against the masses at home. This is the simple explanation why parliamentarism broke down in the Have-not countries, Germany, Japan and Italy, while continuing to function in Britain and France. Obviously this theory narrows down the scope of the Fascist peril unduly. A great variety of acutely observed facts concerning the present social conditions in Germany are recorded.

K. P.

**SOCIALISED MEDICINE IN THE SOVIET UNION** by HENRY E. SINGERIST, M.D. (Gollancz 15/-)

Everyone who is interested in the progress of medicine should read this book. It covers the whole field of Russian medical work, both as it existed—or did *not* exist—before the Revolution up to the present day. To consider one aspect only—that of Infantile Mortality. Up till 1914 this was on an average 27 per cent. (not per 1,000 as reckoned in England and Wales); in 1936 it was 11.8 per cent. in the U.S.S.R. And so with other services. There is an excellent index and some admirable illustrations of public health work.

S. C.